

**No.3(v)/99/3**  
**Central Vigilance Commission**

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**Satarkata Bhawan, Block 'A'**  
**G.P.O. Complex, INA,**  
**New Delhi -110023.**  
**Dated the 7<sup>th</sup> July, 1999**

**Subject:- Special Chapter on Vigilance Management in Public Sector Enterprises and the Role and Functions of the CVC.**

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Current wisdom emphasises the importance of Public Sector Enterprises (PSEs) functioning as self-reliant and profitable units, building themselves around their competitive strengths so as to meet challenges from the private sector. In the achievement of this objective, however, there has to be greater transparency and accountability within the functioning of these enterprises.

2. In the changed and liberalised scenario, vigilance functions have to be organised along proactive, rather than negative lines: their performance should not detract from, impair or inhibit commercial decision making. On the contrary, it must assist the management in the achievement of its organisational goals and objectives.

3. The present Special Chapter on Vigilance Management in PSEs has been prepared, keeping these objectives in view. It takes into account the special micro-level needs of managers in PSEs and addresses the complex problems faced by them in their day-to-day functioning. Since the rules governing vigilance have now been made transparent, managers need only to shed their inhibitions and contribute their best to the organisations they work for.

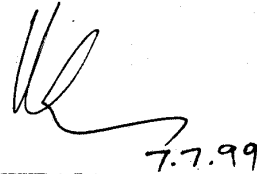
4. The Special Chapter has been prepared in consultation with the CBI, DPE and CMDs and CVOs of PSEs. Special care has been taken to ensure that the provisions of this Chapter are in conformity with the other Chapters of the Vigilance Manual. However, if there is any inconsistency

between the provisions of this Chapter and the provisions of the extant Vigilance Manual, the matter should be referred to the CVC for decision.

5. In terms of the powers conferred under para 3(v) of the Government's Resolution dated 4.4.1999 and the Order of the Supreme Court dated 18.12.1997 in the case of Vineet Narain and others v. Union of India (Criminal Writ Petition Nos. 340-343 of 1993) the Commission is pleased to notify the enclosed Special Chapter on Vigilance Management in Public Sector Enterprises. The provisions of this Chapter will come into force w.e.f. 15.7.99 and will be deemed to form an integral part of the Vigilance Manual, Volume-I.

6. This order as well as the enclosed Special Chapter is available on web site of the CVC at <http://cvc.nic.in>

7. Hindi version will follow.



(N. VITTAL)

CENTRAL VIGILANCE COMMISSIONER

To

- (i) The Secretary, Department of Personnel & Training
- (ii) The Secretary, Department of Public Enterprises.
- (iii) The Secretary, Department of Administrative Reforms & Public Grievances
- (iv) All Secretaries to the Ministries/Departments of the Government of India.
- (v) The Director, CBI,
- (vi) The Chairman, SCOPE
- (vii) All Chief Executives of Public Sector Enterprises
- (viii) All CVOs of Ministries/Departments/PSEs

